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News and Issues - With Pros and Cons

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Steel Plays Big Role in U.S. Life

Even Brief Production Delay Slows Down Factories in All Parts of Nation

THE nation began to worry when steel workers went on strike 3 weeks ago. Both businessmen and the U. S. government were concerned lest a shortage of steel arise.

Even a fairly brief walkout can bring about some shortages, as has been shown by past strikes. Mills may store up some steel before a walkout begins, but not enough to supply customers over a long time.

The steel industry may make up for lost production by overtime shifts after a short strike—one that is ended within a month. But walkouts that go on for 6 weeks, 2 months, or longer can create a serious situation.

The federal government needs to be sure of enough steel to supply factories turning out weapons for defense. Automobile makers need steel for building cars.

Builders of highways, railways, skyscrapers, and other structures need steel. So do makers of washing machines and other household appliances. Along with the steel workers and plant owners, almost everyone else in the country has some interest in the outcome of a walkout.

How many employes went on strike? Some 650,000 workers of the United Steelworkers of America union left their jobs at midnight, Saturday, June 30—making the strike (Concluded on page 2)



EL PANAMA HOTEL in Panama City was selected as the meeting place of the latest conference of American republics

American Conference in Panama

Leaders of the United States and of Latin Republics to the South Were Invited to Talk Together Informally as Cooperating Neighbors

EADERS of Latin American nations and the United States should be back in their home capitals today—or on the way there—after a 2-day conference in Panama.

The Panama meeting was planned to celebrate the 130th anniversary of the first Inter-American Conference called in Panama by Simon Bolivar, one of Latin America's early heroes.

The get-together was first set for June 25. It was delayed until the July 21-22 week end because of President Eisenhower's illness—so that the Pres-

ident would have time to recover and carry out his wish to be present, if it were at all possible.

Panama's President Ricardo Arias Espinosa was host at the meeting to which most of Latin America's 19 other heads of state had accepted invitations.

No big developments were expected from the meeting. The idea was that leaders of Western Hemisphere nations should simply meet on a friendly, informal basis, talk over mutual problems, and work for a closer, better relationship among their countries. Panama, the host country, is best

known for the Panama Canal that runs across it to connect the Atlantic and Pacific Oceans. The United States runs the canal and controls the Canal Zone, a strip of land approximately 10 miles wide and 50 miles long.

While Panama is an independent nation, the canal is the big factor in the country's economic life. The thousands of people who work in the Canal Zone make many of their purchases in Panama, and tourists passing through the canal often stop and visit the country. Moreover, the United States makes annual payments to Panama under the terms of the agreement by which the Canal Zone was granted to us. Today these payments amount to \$430,000 a year.

The conference chose to center attention not only on Panama but also on a larger area of which Panama is a part. It is the region south of Mexico and north of South America. We commonly refer to this area as Central America.

Central America covers about the same amount of space as New Mexico and Colorado combined. It may be regarded as the bridge which links the great land masses of North and South America. It includes the 6 republics of Guatemala, Honduras, El Salvador, Nicaragua, Costa Rica, and Panama.

The largest of the Central American lands is Nicaragua, and the smallest is El Salvador. Total population of the area is a bit under 10,000,000. Guatemala has the most people—slightly more than 3,000,000.

All the republics except El Salvador extend clear across the isthmus from the Caribbean Sea to the Pacific Ocean. In the interior of these lands are

(Continued on page 6)

HERE AND ABROAD - - - PEOPLE, PLACES, AND EVENTS

ATOMS IN BUSINESS

The nation's first atomic reactor devoted entirely to industrial research is now operating in Chicago. The \$700,000 reactor was built by the North American Aviation Company. It is being used on several projects, including an investigation of the use of atomic radiation to sterilize food.

SEARCH FOR WATER

The Department of Interior is trying out methods to make the salty seas useful as a source of drinking water. Interior Secretary Fred Seaton predicts that, by 1990, "you are likely to see a network of pipelines criss-crossing America carrying fresh water derived from the sea."

TRAINING IN ICE

A detachment of Seabees from a Navy construction battalion is spending 6 weeks in Greenland to practice tunneling in ice and setting up airfields in snow. The 21 Naval men will put their training to practical use later this year, when they go to Antarctica.

They'll be part of a large exploration group which plans to spend the winter in the frozen region.

BEEF PRICES UP?

Farmers are feeding corn to fewer cattle than a year ago because profits aren't what they'd like. This probably means supplies of top-grade beef will be down within a few months—and, by fall, housewives may be paying higher prices for choice steaks.

HONOR FOR HOOVER

The West German Federation of Industries is honoring former President Herbert Hoover for his help in rebuilding the German economy after both World Wars I and II. A 12-volume, leather-bound collection of the German poet Goethe's works was chosen as a gift for Mr. Hoover.

MIDDLE EAST TROUBLES

Watch for new and important developments in the Middle East, where the long quarrel between Egypt and Israel seems to be flaring up again. Secretary-General Dag Hammarskjold

of the United Nations plans to end a short tour of the 2 lands this week.

On an earlier visit, in April, the Secretary persuaded Egypt, her Arab allies, and Israel to agree to stop frontier fighting. Israel now complains that her frontiers are again being attacked.

IDEAS ON LABOR

The Argentine government, under former Dictator Juan Peron, controlled labor unions in that country. With Peron out and democracy on the way in, Argentina is now studying U. S. practices for ideas on how to build freer, independent unions.

DEMOCRATIC KEYNOTER

Governor Frank Clement of Tennessee will give the keynote address to the Democratic National Convention in Chicago, August 13. He has supported former Illinois Governor Adlai Stevenson for the Presidential nomination. For himself, some Democrats think, the 36-year-old Clement hopes to win the nomination for the Vice Presidency.

Steel's Important Place in United States Industry

(Concluded from page 1)

effective as of 12:01 A.M., Sunday, July 1.

The men were employed by 12 companies, or groups of companies, which produce 9/10 of this nation's steel. Among the 12 are United States Steel, Bethlehem, Republic, Youngstown Sheet and Tube, Great Lakes, and Colorado Fuel and Iron.

What were the issues? Both union

What were the issues? Both union and company negotiators agreed at the start that wage increases were possible. They disagreed over the amount of increases and over the length of time a contract should run.

The company owners at first wanted a contract with guarantees against any new strike for 5 years. After union objection, the company negotiators offered a contract for 4 years, 4 months, with yearly raises.

Steel operators said they plan to build big new plants at a cost of billions of dollars to meet a growing demand for their product. They argued they must have a long guarantee against strikes—so that steel production could be kept steady—in order to obtain loans to pay for expansion.

The union thought the company's owners were asking for too long a contract. There was some hope that a compromise contract for 2 years might be accepted. This might come about if the union won satisfactory promises that wage increases—beyond those offered by the company—would be considered should living costs rise during the contract period.

Wages in Dispute

Steel wages before the strike averaged \$2.47 an hour. Management offered a wage increase of 7.3 cents, plus some new pension, insurance, and other benefits. In all, management estimated, workers would gain an average of 17% cents an hour this year.

The union said the company offers would bring only 14 cents an hour to its workers. The union did not set an exact figure for benefits it wanted, but was believed to be seeking 20 cents an hour.

What effects did the strike bring? The shutdown of the big steel plants affected parts of the country in differing ways from the start.

1. The 650,000 workers became idle July 1. Many had vacation pay coming and were not pinched during the first 2 weeks. They could, in any case, depend on financial help from their union. However, they'd no longer be collecting regular pay checks if the strike kept on. The payroll loss would be about \$10,000,000 a day. (At our press time, the strike was still on.)

2. Some railway workers, truckers, coal miners, and others serving the steel industry were laid off during the strike. More than 50,000—perhaps 80,000—of such workers were idle.

3. Before the strike, the plants were producing 250,000 tons of steel a day. Lack of this production made for a pinch in supplies to building industries within 2 weeks. Automobile plants, which had stored up extra steel in anticipation of the strike, were expected to feel the pinch by the end of July.

4. Steel cost an average of \$130 a ton before the strike. A few companies—not involved in the walkout —have since boosted the price as much as \$16 a ton for the metal they are able to supply. The whole industry is expected to fix generally higher prices after the strike ends—and the increases eventually will show up in greater cost of many products containing steel.

5. The federal government ordered certain types of steel made available only to defense plants. The government also tried to get the union and plant owners to work harder for an agreement on ending the strike.

2½ tons of iron ore, scrap metal, coke, and limestone to make 1 ton of steel.

We get coke by baking soft coal in big ovens. The heat drives out certain materials. What's left is coke. It makes a hotter fire than coal does.

Some scrap iron comes from automobile companies, and other industries which have leftover metals. Old machinery, railway equipment, and junked cars are cut up and thrown on the scrap pile. The iron and steel

smaller amounts from British West Africa, Brazil, Cuba, the Dominican Republic, Mexico, and Britain.

As time goes on, we'll probably buy even more ore from other lands. But steel men hope to find another source of iron ore at home. They want to use big deposits of low-grade iron ore in our country. If these deposits can be put to work, we won't need to purchase so much from overseas.

One source is billions of tons of a hard, rock-like material called taconite, which is found in and near the Mesabi Range. The material has some iron in it, but not nearly so much as there is in high-grade ore.

Until recently, miners found it impractical to dig taconite. The material blunted their drills, and didn't yield enough iron to pay for digging.

Use of Taconite

A way now has been found to extract taconite and use it profitably. Explosives are set off to blow the taconite into small pieces. The pieces are then crushed into powder. Powerful magnets pull out the bits of iron from the powder. The bits are rolled into pellets about the size of walnuts. The pellets are two-thirds iron.

Three major ore companies and 6 steel companies are now working to develop taconite mining. A new taconite plant in Aurora, Minnesota, is more than half completed. By the spring of 1957, this 300 million dollar project will produce 7½ million tons of iron pellets a year. Another plant, already in operation, is turning out pellets at the rate of 3,750,000 tons a year.

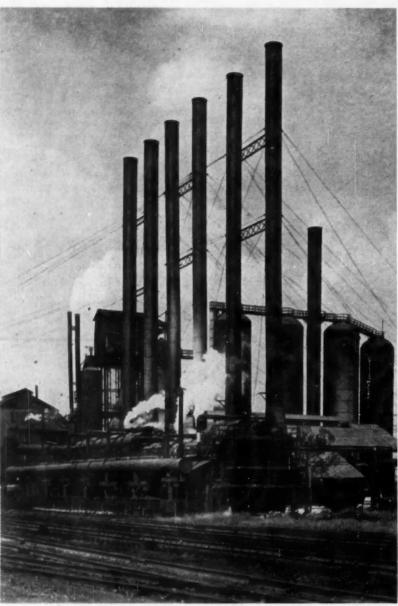
Steel men are also interested in some low-grade ore called jasper—found in the northern peninsula of Michigan. Like taconite, jasper can be made into pellets containing iron ore. Only 500,000 tons of jasper may be produced in 1956, but experts feel sure that this output can be quadrupled.

At present, experiments are under way to determine whether the red sandstone near Birmingham, Alabama, can be processed. There are about 1 billion tons of the red sandstone in this area. Scientists say it may contain usable iron ore.

All this is good news. Our population is growing rapidly. By 1975, the United States may have 228 million people. Many authorities say we'll need at least 170 million tons of steel a year by 1975, and it will take a lot of iron ore to make that much steel.

How is steel made? The iron ore, coke, and limestone for steel go into a blast furnace for smelting. This makes pig iron. The pig iron, along with scrap metal and smaller amounts of other materials, then goes into an open hearth furnace. When the molten mass has cooked enough, a plug in the furnace is pulled out. The metal, steel, flows into great molds, where it hardens.

Later, the molded pieces of steel (ingots) are heated to make them soft enough for rolling. Heavy rollers flatten the ingots into slabs. Finishing mills roll the steel into plates, bars, and rods. These go to factories to be made into various types of products. —By HAZEL ELDRIDGE



EWING GALLOWAY

WHEN STEEL MILLS close down, our whole country is affected

Where do we stand in steel production? We are the world's biggest maker of steel. We turned out 117 million tons of the metal in 1955 for an all-time record. Before the strike, we were headed for a new record. We may not reach the goal now.

Communist Russia is the world's second largest steel producer, with an output of 49½ million tons in 1955. Red China made 3,300,000 tons. Czechoslovakia and Poland were other big communist producers.

Free nations together, however, greatly outranked the Red lands with 228 millions of tons of steel turned out in 1955. West Germany accounted for more than 23 million tons; Britain, 22 million tons; France, over 17. Canada, Japan, and Belgium also ranked high.

Where do we get the materials for steel? The industry needs vast amounts of raw materials. It takes

mills themselves furnish some scrap. Iron ore comes from a number of places in the United States. By far the largest quantity comes from the region around Lake Superior—particularly from the Mesabi Range of northern Minnesota. Alabama furnishes large quantities of ore, as does Pennsylvania.

Unfortunately, much of the best ore in the Mesabi Range has now been used. For this reason, steelmakers are looking around for new supplies of iron ore.

Already, we buy large quantities of the ore from other lands. Last year we purchased some 26 million tons abroad. A large portion came from mines in Canada near the northern border of Quebec and Labrador. The second biggest shipments were from Venezuela. Liberia, Peru, Sweden, and Chile also supply substantial quantities for our mills. We get



SHERMAN ADAMS
Assistant to the President

Personality

Sherman Adams

NEXT to the initials D. D. E. (for Dwight David Eisenhower), probably the most important initials in the country are S. A. When President. Eisenhower sees them on an official paper, he knows the document has received the attention of his most trusted assistant, Sherman Adams.

The 57-year-old former governor of New Hampshire is the President's right-hand man. His official title is "assistant to the President."

Now that Mr. Eisenhower is recovering from his latest illness, the country is becoming increasingly aware of the role of the silver-haired New Englander. Adams has been in charge of the White House staff for almost half the year that began with the President's heart attack September 4, 1955. During the President's 93-day fight to win back his health, Adams and his staff carried on much of the work of the executive department.

When the President became ill again June 8, the Adams organization was ready to shoulder the extra burdens once more. Even with Mr. Eisenhower back on the job, the role of Sherman Adams in our government has meant long hours and hard work.

Adams is a native of East Dover, Vermont, but later he moved to New Hampshire, which is now his permanent home. He served in the Marine Corps during the First World War. In 1920, he completed his course of studies at Dartmouth College. Upon graduating from college, he went into the lumber and railroad businesses. He became successful in both fields.

His first taste of politics came in 1940 when he was elected on the Republican ticket to the New Hampshire House of Representatives. Four years later, he was sent to Congress. In 1948 Adams became governor of New Hampshire. He was re-elected in 1950.

Adams left his state to become Eisenhower's chief assistant during the Presidential election campaign of 1952. When Eisenhower entered the White House, he brought Adams to work with him.

Adams' chief job is to make many of the decisions that otherwise would take the President's time from more pressing matters. He arranges appointments and plans the work of the White House offices. The final word on all matters, of course, is spoken by the President. Even during some of the most critical days of the President's illnesses, Mr. Adams was able to confer with his chief and get his decisions on running the U. S. government.

—By ROBERT SCHWEITZ

Science in the News

AN undersea cable is now carrying electric current from the Swedish mainland for a distance of 60 miles to the island of Gotland in the Baltic Sea. Swedes say it is the first cable of its kind for regular transmission of high-tension direct current.

Using new scientific methods, alternating current is transformed into direct current for its undersea journey, and then turned back to alternating current for lighting towns on Gotland. Building the installation cost \$5,000,000.

Dictating letters directly to a typewriter—instead of to a stenographer or to a recording machine for later transcription—may be possible one of these days. The machine would work in this manner:

Words spoken into a microphone would become electronic impulses. These would go into the typewriter, which would record the impulses as typed words on letter paper.

Radio Corporation of America (RCA) laboratories have turned out an experimental model, but many kinks remain to be ironed out before the new device can be made practicable for commercial use.

The largest radio telescope in the United States is now in operation at Harvard University Observatory. The equipment receives radio waves from the stars. Astronomers hope that the telescope will shed some light on an

old question that astronomers have debated for years—whether the universe is or is not expanding.

The telescope is as tall as a 6-story building. It is 60 feet in diameter, and looks like a big dish standing on its rim. Its special recording equipment picks up signals from outer space and changes them into electrical current. The current goes to an amplifier, and the impulses are recorded by a pen moving across a sheet of paper.

The telescope works best in calm weather. When the wind blows too hard, it vibrates and cannot record accurately what it hears. Two radio telescopes larger than Harvard's are in Europe—one in Holland and one in Great Britain.

Seventy-one nuclear science teachers from 46 of our colleges and universities are doing research work this summer along with the regular staffs of the U.S. government's big Oak Ridge, Tennessee, atomic laboratories. The idea of the summer study is to encourage cooperation between civilian scientists and those working directly with the government.

Norway has a new machine for making foam plastic soft and resilient, so that it returns to its original shape after being bent or stretched. The Norwegian device may lead to use of plastics in new fields. For example, plastics turned out by the machine may be made into foam mattresses.



THE FRENCH have developed a small television camera for covering spot news

The mattresses may be steamed and disinfected easily, a quality which should interest hospitals, hotels, and home-makers.

The new Norwegian passenger liner Bergensfjord uses the plastic for upholstering chairs and sofas. Other ships use the cloth on dining tables; it is almost skid-proof and holds silver on the tables even when a ship does a 45-degree roll.

Several American manufacturers have shown interest in the new process.

The Island of Madagascar, off the southeast coast of Africa, has a modern oceanographic station in operation. Facilities will be used to study the possibilities of making fishing, especially for tuna, a profitable industry for the island.

-By Tom HAWKINS

Historical Background - - - Communications

E send a telegram, use the telephone, tune in the radio for a news broadcast, or look at a television show today and think nothing of it. Yet just a little more than a century ago it wasn't possible even to send a telegram. Beginning with the telegraph, our whole modern system of communications has developed since 1843.

Samuel B. Morse is the man who is credited with making the telegraph possible. Others before Morse—in Switzerland and in England—had worked on the idea of telegraphy. Morse, however, developed the system that became standard in the United States and other parts of the world.

Morse finished his first telegraph set in 1835, and a second one in 1837. He felt that his communications system was then ready for commercial use. He asked Congress for money to build the first telegraph line, but obtained no response. He sought help in England and France but was not successful.

Finally on March 4, 1843, Congress set aside \$30,000 for a line between Washington, D. C., and Baltimore, Maryland. The line was only about 40 miles in length, but it worked. It was the beginning of the nation-wide network of telegraph communications that we take for granted today.

Morse's first instruments were awkward and slow. Operators tapped out messages in code by pressing a button on a small instrument. The button set off electric impulses which clicked out the dots and dashes of the code—the Morse code.

Most telegraph messages today are transmitted by electric typewriters—called teleprinters—which turn electric impulses into typewritten words. More and more messages, though, are being sent by an even more modern device. It uses an electric eye, or cell. The eye scans a message that you may write or type and transmits it to the receiving station exactly as you write it.

Telegraphy started the era of modern communications. Other mediums came along quickly.

Alexander Bell spoke the first clear



FIRST commercial telephone was this box shaped affair used in 1877

message through his telephone invention only 80 years ago—on March 10, 1876. The message was to his assistant, Thomas Watson, who was in another room 40 feet away with a receiver. The message said: "Mr. Watson, come here; I want you."

That first message started the telephone industry on its way. The first telephone switchboard was opened at New Haven, Connecticut, in 1878 to serve 21 subscribers. By 1880, cities across the country were establishing telephone services. By 1915 it was possible to telephone across the continent, and—by cables under the ocean—to Europe.

The Italian inventor Marconi put wireless telegraphy on a practical basis by 1896. He sent his first message across the Atlantic Ocean in 1901, and thus laid the groundwork for wireless telephone service that is now available around the world.

The radio came next. Reginald Fessenden, a Canadian-born American, succeeded in transmitting spoken words by wireless for the distance of a mile in 1900. Carrying on his experiments with Ernest Alexanderson, Fessenden worked out an early type of detector tube and a transmitter. Fessenden made the first real radio broadcast, with a program of music and speech, on Christmas Eve, 1906, from a small station at Brant Rock, Massachusetts.

Television, latest of our modern means of communication, was being thought about as far back as 1884. Inventors in England and the United States demonstrated television in 1925. Regular telecasting was started in this country in 1939. It wasn't until World War II ended, though, that TV really got started.

There are now more than $38\frac{1}{2}$ million television sets in this country. With the development of ultra-high frequency and color telecasting, it is expected that this number will continue to increase.

-By ANTON BERLE

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The Story of the Wee

Giant vs. Giant

The government of the United States is suing the largest company in the world-the General Motors Corporation. The federal government claims that G. M. unlawfully gained control of 79 per cent of the bus business in the country. General Motors President Harlow Curtice has denied government claims. The case will be fought in federal courts.

The General Motors suit is big news for several reasons:

(1) Any government action against so large a firm is bound to attract public attention;

(2) The government's plans were made public on a TV program-see



PAKISTANI airline stewardesses have adopted a compromise between Moslem

page 5 story on News Battle;

dress and European style clothing

(3) This is an election year, and Democrats have been charging the administration with favoritism toward big business;

(4) Defense Secretary Charles Wilson was President of G. M. during the time many of the allegedly unlawful acts were performed by the

Endurance Contest

Negotiations in Geneva, Switzerland, between America and Red China are now in their 12th month. There is no sign of a break in the long-term talks, because neither side seems willing to give in on any of its demands and both sides are unwilling to end the conferences at present.

The talks began last August after Peiping agreed to release 11 American airmen shot down in the Korean War and later jailed as spies.

U. S. diplomats opened the Geneva talks by asking China to release 19 American civilians held in jail or under house arrest in China. Today 11 of these Americans are still held by the Reds.

The United States is also trying to get the communists to renounce the use of force in settling territorial disagreements in the Far East. Uncle Sam has in mind Red China's threats to take over the island of

United States call off the trade block ade of China. The communists also want to arrange a meeting of the foreign ministers of both countries. We have refused a foreign ministers' meeting because we do not recognize the Reds as the rightful leaders of

Returning a Visit

Britain's Prime Minister Sir Anthony Eden and his Foreign Secretary, Harold Macmillan, have agreed to visit Moscow as the guests of the Soviet leaders next May. Russian Premier Nikolai Bulganin and Communist Party Boss Nikita Khrushchev were in London this spring.

The Russians were entertained extensively in London. Nothing of importance seemed to come out of the trip last spring, however, and there is no sign now that much can be expected of the May 1957 visit.

It has been rumored that the Red leaders would like to come to Washington, but no invitation has been extended to them, and there seems little chance at present that President Eisenhower would journey to the Russian capital even if he were invited.

Nixon and Nehru

The word battle between Vice President Richard Nixon and India's Prime Minister Jawaharlal Nehru is being studied by the leaders of Asian nations as the Soviet Union dangles promises of foreign aid before them.

Nixon returned this month from a whirlwind tour of the Philippines, Formosa, Thailand, South Viet Nam, Pakistan, and Turkey.

The dispute between the 2 high officials broke out when Nixon, during his visit to the Philippines, implied that the United States felt more friendly toward lands which were willing to join alliances against communism than she does toward lands which maintain strict neutrality.

Nehru, the "neutralist" leader of Asia, answered sharply that Nixon's views were undemocratic and that the Vice President apparently U. S. wanted all people to think as he does. Nixon retorted that it is the communist leaders who want everybody to think as they do and who are the



PROPOSED NEW STADIUM for the Brooklyn Dodgers would have a plastic dome, an underground garage, and seats for 55,000 people. Games could be played on rainy days and the building could be air-conditioned.

real enemies of democracy and free-"Anyone who suggests comdom. munist assistance is not inconsistent with freedom has not been reading history correctly," the Vice President

India has been receiving Soviet as well as American aid. So have many other countries.

Asians and all who receive Uncle Sam's help are wondering now if the United States is going to give aid more willingly to those lands which oppose communism than those that sit on the fence. Such a stand has been suggested by certain members of Congress.

Vice President Nixon himself turned down the suggestion that the United States should automatically refuse to help countries which are accepting assistance from the Reds.

Museum of Freedom

The Statue of Liberty has long been a symbol of freedom and promise to people everywhere who live in fear and poverty. Over the years, the "Grand Lady" of New York Harbor has welcomed many thousands of immigrants from all corners of the globe.

This fall, a special drive will begin for funds to build a museum at the foot of the Statue. The museum will honor the people who have come from all over the world to help build our nation. Americans everywhere will be asked to contribute funds for the project, which is expected to cost around \$5,000,000.

The museum will have displays to tell the story of immigration from the very early days. It will also have a library and an auditorium where special programs will be held.

Reducing Cotton Output

Cotton acreage in the United States is at a 70-year low. One estimate is that this year's crop will yield about 13.570.000 bales. Last year's output was about 14,500,000 bales. The amount of land under cultivation for cotton is about 25 per cent below the average for the past 10 years.

Chief reason for the drop in acreage and production is the government's price-support programs for farm products. The farmers have been encouraged to reduce the number of acres they plant in cotton if they want to share in federal benefits. The government is seeking to reduce the huge surplus now on hand (about 10,400,000 bales) so that farmers can eventually get better prices for their cotton.

No School Aid

Republicans have blamed Democrats and Democrats have blamed Republicans for the defeat of the measure to provide federal funds for the construction of new schools throughout the nation. At the bill's death, the New York *Times* wrote: "Neutral observers felt that the outcome showed political pluses and minuses for both parties."

Last January, with the support of members of both parties, the President sent to Congress a program which called for federal grants of 11/4 billion dollars to build schools in every part of the land. A short time



EMERALDS GALORE are being taken from the mines of the South American country of Colombia. Shown is a handful of precious stones just as they come The Reds' main demand is that the from the ground. Colombia is the world's largest producer of emeralds.

ago the program was rejected by Congress.

The votes for and against the administration bill were based on the merits of the bill itself and on an amendment attached to it. The amendment would have denied aid to any district which practiced racial segregation in its schools.

It is expected that a new federalaid plan to help relieve the crowded condition of the nation's schools will be offered in the next Congress.

Flag Comes Down

Britain's Union Jack is coming down from the mast overlooking Trincomalee harbor, Ceylon, for the first time since 1795.

For more than 11/2 centuries Britain has used the harbor, considered one of the 4 or 5 great natural harbors of the world, as a naval base from which it could operate in the Indian Ocean.

In World War II British ships and planes from Trincomalee turned back advancing Japanese forces which never advanced as far as Trincomalee after their rebuff by the British.

Ceylon, a member of the British Commonwealth, lies just off the southeastern coast of India. The island's leaders concluded negotiations with the British this month to regain for their nation control of Trincomalee. Britain also agreed to abandon the Royal Air Force Station at Katunayake, near Colombo, the capital. British naval units may still use Trincomalee's facilities, but for the first time in more than 160 years Ceylon will control the harbor.

Sea Adventure

"Away all Boats," a Universal-International Technicolor film, is an action-packed sea adventure. based on a novel written by Kenneth Dodson, a World War II naval officer in the Pacific fight against Japan. During the fighting, Dodson vowed he would write about his experiences when the war ended. He did, and the book became a best-seller.

The story tells about the adventures, achievements, and hardships encountered by the men aboard an attack transport-the U.S.S. Belinda. Though the Belinda is fictional, events described in the book are based on Dodson's own experiences on an attack transport.

Jeff Chandler plays the part of the Belinda's hard, but fair and honest skipper, Captain Hawks. George Nader acts as the ship's second-incommand, Lt. Dave MacDougall. The one important feminine player in the film, who appears only briefly, is Julie Adams. She plays the part of MacDougall's wife.

News Battle

A new television program has raised a controversy among newspaper people the country over. It is a Wednesday evening program called National Press Conference. It is a sponsored show in which some person in the news submits to quizzing by Washington correspondents.

This program differs from similar ones in that the newsmaker must have some big story to break before the television cameras. Attorney General Herbert Brownell, for instance, announced on one week's show that the Justice Department was going to bring suit against the General Motors Corporation.

Many newspapermen say that the government's business is the business of all the people and any news concerning it belongs to everyone. Said one angry editorial: "This [the Brownell announcement] is news that could have been, and should have been, released to the American people through all media [press, TV, radio, etc.] hours or even days before." The program benefits the commercial sponsor and is unfair to newspaper publishers and others who are in competition with the television network on which it appears. Government officials should not favor one news medium over others.

On the other hand, defenders of the new TV show say that it is not at all uncommon for government officials to write newspaper or magazine articles which contain news "scoops." Such officials, it is said, have an equal right to give out information on radio or programs. It is pointed out that most government news is made available to everyone at the same time, and that special stories, such as the latest one in dispute, are exceptional.

The Conventions

Now that it seems certain that President Eisenhower will run for reelection, the coming Republican National Convention in San Francisco should be more or less a cut-and-dried affair. Mr. Eisenhower is sure to get his party's nomination and will probably have Richard Nixon as his running mate again.



It is an

HERE'S A SCENE from the new motion picture "Away All Boats." exciting drama of the sea during World War II days (see story).



EAGLE SCOUT Richard Chappell was selected to join U. S. explorations in Antarctica in November. He will go as a junior scientific aide to the expedition. On the left is Dr. Paul Siple, deputy to Admiral Richard Byrd. Dr. Siple was first Boy Scout to be chosen to accompany Byrd to the Antarctic years ago. Dr. Arthur Schuck (center) is the Chief Scout Executive.

On the Democratic side, Adlai Stevenson, the 1952 candidate appears to be well in the lead to gain the nomination once more. Only if he fails to win on the first few ballots is it likely that another man will be picked, observers say. Closest rivals for the Democratic nomination will be Senator Estes Kefauver and Governor Averell Harriman. There is still little indication as to who will be the Vice Presidential candidate.

The Democratic convention will be in Chicago the week of August 13. The Republican convention opens Au-

Burden Lightened

Foreign visitors to Moscow and other Russian cities have been amazed to find that some of the most backbreaking jobs are being done by women. Women crane-operators, street cleaners, and ditch diggers have frequently been the target of tourists' cameras.

Now for the first time since the Reds took over Russia, it looks as though Soviet women may be released from the heavy jobs that are done in most other lands by men. At a meeting of the Soviet Parliament this month, Premier Nikolai Bulganin announced that the use of women for heavy labor "will be abolished in the Soviet Union." He said that progress has already been made toward this

Self-Rule Demanded

The people of the British protectorate of Uganda in east-central Africa have been promised self-rule by England, but no time limit has been set for the end of British control.

The largest political party in Uganda, the National Congress, wants John Bull to leave next year. More moderate groups say 1961 will be soon enough for them. So far, the British say they intend to stay until it is certain that the people of the country can get along on their own. If the Uganda National Congress presses its demand, the British Empire is in for more trouble.

Sir Andrew Cohen, the British governor of Uganda, doesn't think the people can run their own political parties, their civil service, and local

governments well enough yet. National Congress says the people are as advanced as those of Sudan and the Gold Coast to which Britain has granted self-rule. Why is London holding back on us? they ask.

Downfall Predicted

For many years the Russians have been predicting the downfall of capitalism and the American way of life, None of these predictions has come

Now, our Secretary of State, John Foster Dulles, has forecast the end of Red control of Russia. Such forecasts have been made before, but this time Mr. Dulles set a date. He thinks Russia will emerge a free nation by 1966. just a decade away.

He said that although the United States would encourage those behind the Iron Curtain who are working to topple the Red regime, the United States could take no direct part in the uprisings. The most our nation can do, the Secretary pointed out, is stick to the historic American tradition of demonstrating the benefits of a free and democratic government.

Communist leaders have been blaming Americans for the recent anti-Red riots in Poland.

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PANAMA CITY, the capital and chief port of Panama, is a community of about 130,000 persons. The city was founded in 1519 by a Spaniard, Pedro Arias de Avilla. It is located at the Pacific end of the Canal.

American Leaders' Meeting in Panama

(Continued from page 1)

jagged mountains with smoking volcanoes. Near the coast lines are humid, jungle-covered lowlands.

Early Spanish explorers visited Central America, and for many years the region was ruled by Spain. Though these countries have been independent for more than 100 years, Spanish is still the principal language. Most of the ruling class is of Spanish descent. Only in Costa Rica, though, is a

Only in Costa Rica, though, is a substantial part of the population—about half—made up of white people. Throughout Central America as a whole, Indians and people of mixed race make up the great bulk of the population.

Central America is mainly a farming area. The 2 major crops are coffee, raised on the upland slopes, and bananas, grown in the hot, steaming low-lands. For both of these crops, the United States is the main purchaser. Cotton production has also increased markedly in recent years.

For many decades, Central America has had the reputation of being an unsettled region. The history of these lands is one of revolutions, dictatorships, and violence. In fact, this mountainous neck of land has been called "the Balkans of the Americas." (The Balkan region in southern Europe has been notorious for years as a trouble spot and a breeding ground for war.)

Yet, of late, Central America has been relatively stable. During the past year or two, the main crops have found ready markets at good prices, and economic discontent has been at a minimum. There have been a number of encouraging developments in relations among the Central American countries.

For example, the first formal meeting of the Organization of Central American States took place last summer. The organization had been set up in 1951, but wrangling caused several postponements of the first meeting. The group aims at strengthening social, cultural, and economic ties of the Central American republics.

Panama does not belong to the group, but it may join in the future. The fact that the organization is now a going concern is looked upon as a favorable sign for continued stability in the area.

Another encouraging development was the peaceful action taken last January by Nicaragua and Costa Rica, 2 nations which had long been at swords' points. Representatives of each country signed an agreement, pledging their nations to avoid action which might lead to war.

U.S. leaders are gratified that Central America seems to be moving toward stability. At a time when we are involved in dealings with many distant lands in Europe, the Middle East, and Asia, we want to be assured of peaceful relations in this hemisphere. We are anxious, too, that Central America remain stable because of the location of the Panama Canal in that area. The waterway is of utmost importance to us in both war and peace.

Our leaders are keenly aware that the relatively quiet times which Central America has been experiencing in the last year or so may not last. A number of deep-seated ills from which the region suffers must be cured if peace and prosperity are to be permanent in these lands to the south.

For one thing, serious economic troubles have long beset Central America. They stem largely from the area's out-of-balance economy. Farming is the leading occupation. There is little manufacturing in the entire region. Moreover, the emphasis on

farming is mainly on a few export crops—particularly coffee, bananas, and cotton.

If the demand for these crops falls and prices drop, then the people of Central America face hard times. There is not much else to which they can turn. Discontent and resentment against the government follow. Ruthless and ambitious politicians take advantage of it to pursue their own goals.

Central America has also suffered over the years from the continuing tradition of the "strong man." During the past century, dozens of ambitious men—often military figures have seized control of Central Ameri-

can governments by force of arms. Such seizures have been accepted as commonplace in this part of the world. The tradition has made it hard for democracy to take root.

Lack of a strong middle class has also helped military despots hold sway. In most Central American countries, the number of small tradesmen, office workers, and professional people is not large. It has been proved time and again that a strong middle class is a stabilizing influence—in the United States, and in the lands of western Europe, for example.

In Central America, though, the population ranges to extremes. A small wealthy group owns most of the land and controls the businesses. Members of this group generally have fine homes and enjoy many luxuries.

At the other extreme are the great masses of the people with incomes of less than \$250 a year, except for Panama where the average is slightly higher. In rural areas, most people live a hand-to-mouth existence. They cultivate small plots where they try to raise enough food for their own needs.

Those people who work in the cities or on the large plantations have more cash income than the small farmers, but otherwise they are not much better off. Their living quarters are usually flimsy, and it is a neverending task for them to obtain food and clothing.

Illiteracy, too, is a drag on the region. Except in Costa Rica, probably not more than 30 per cent of Central Americans can read or write. Most natives know little about health and sanitation measures.

Steps are being taken to remedy these weaknesses, and though it may take a long time to raise living standards and achieve economic and political stability, there is no doubt that progress is being made.

Throughout Central America there is a new eagerness for education. Schools and roads are being built. Living standards are creeping upward. More than ever before, democracy seems—in the last 10 years—to have caught root.

Costa Rica is politically one of the most advanced nations of Latin America. The democratic tradition is strong there. Two years ago a procommunist government in Guatemala was overthrown, and that country



PANAMA is one of the 6 republics that make up Central America

now seems headed down the demo cratic path. Nicaragua, on the other hand, is under a military dictatorship.

The United States has a number of close ties with Central America. Foremost is that of trade. About 75 per cent of Central America's exports come to the United States. Approximately 70 per cent of the foreign purchases of these lands come from us.

We want Central America to be peaceful and prosperous. We feel that the best way to help these nations to the south is to assist them in boosting farm and industrial output, in raising health and sanitation standards, and in furthering school programs. For some years we have sent experts in these fields into Central America to help the governments of the region. Our aid totals several million dollars yearly.

Another project which may bring closer ties between the peoples of the United States and Central America the Inter-American Highway, which has long been under construction. We are contributing two-thirds When finof the highway's cost. ished 3 years from now, it will run from our southern border through Mexico and on to Panama. Today there are only 2 major gaps to be filled-in Costa Rica and in Guatemala.

The highway is expected to bring many benefits to the people of the 7 nations it links. Not only will tourists and goods pass more readily from one to another, but whole new areashitherto inaccessible-will be opened up for development.

-By HOWARD SWEET



CENTRAL America's plantation crops find a good market in the United States



GUATEMALA'S cacao trees are the starting place for many a candy bar



THE SAHARA is by far the largest desert in the world. It is a little larger than the United States and covers about one-third of the African continent.

World's Big Deserts

They Cover About a Fifth of Earth's Land Area

SCIENTISTS who will take part in the International Geophysical Year 1957-58 have many plans for increasing their knowledge of our planet. Among other things, the experts will take a new look at the world's deserts and semi-arid regions.

It is hoped that some of the dry areas can be made to produce food. There's also the possibility that certain desert plants may be useful in making medicines or chemicals for industry.

Rain and snow fall on so much of the United States that most of us can't imagine what a desert is like. Only in a small part of the West is the weather so dry that there is a big desert. It's a fact, though, that deserts cover one-fifth of the earth's land area.

Some deserts are caused by cold weather. This is true of the frigid wastelands around the North and South Poles. Deserts in the popular sense are the result of too little rain -less than 5 inches a year. There are deserts on every continent except Europe.

The Sahara, which stretches across North Africa, is the king of them all. It is a little larger than the United States, and covers about one-third of the African continent. Its greatest length from east to west is 3,200 miles -as far as it is from New York to San Francisco. The great desert covers parts of Algeria, Libya, and Egypt, plus other lands in North

The Sahara is not entirely a region of hot, shifting sands, although the western part is just that! Some of its surface is hard and rocky. In the interior is a plateau region with 3 mountain ranges. One peak towers 11.201 feet skyward.

Here and there in the desert are green, fertile oases. At these places, people get water from wells and grow a few fruits and grains, as well as the world's finest dates.

In summer, the Sahara is one of the hottest places on earth. Temperatures often reach 130 degrees during the daytime. At night, the thermometer may drop 30 or 40 degrees. In winter, frosts nip the oases.

The Sahara has few animals. Scattered plants feed a few addax, or desert antelope. A brightly colored lizard which lies half buried in the sand is another desert creature. the outer edge of the Sahara, where there is water, there are panthers, jackals, foxes, lions, and apes.

The camel is sometimes called the ship of the desert. For centuries, camel caravans have carried men and freight across the Sahara. Some caravan routes are 4,000 years old.

The camel is well prepared for life on the desert. Its eyes are protected by long lashes which keep out both sand and sun. The animal's thick, hairy coat protects it from the heat and blowing sand. Its strong teeth can chew up almost anything, and the camel isn't at all fussy about what it eats. A camel will drink salt water, or devour thorny shrubs, blankets, leather, fish, or bones. Nothing seems to give it indigestion.

While the camel is the main beast of burden in the desert, buses and trucks now make trips across the Sahara. Many oases have modern filling stations as well as places where camels may stop to drink.

About 2,000,000 people-Arabs, Bedouins, Moors, and others-live in the Sahara. The Arabs live along the northern border, the Moors in the west. The Bedouins are wandering herdsmen and shepherds who travel from place to place.

Among the other deserts of the world is the Gobi-a sandswept treeless plain in northeastern Asia. Twice the size of Montana, it covers 300,000 square miles in China and the Mongolian Republic. Though few people live there today, explorers have found signs of an ancient civilization in the Gobi.

The Kalahari Desert, in southern Africa, is about the size of New Mexico. A great desert covers half of Australia. The Mojave, a part of the area once called the Great American Desert, covers 15,000 square miles in southern California. Other smaller deserts in the United States are the Colorado, Great Salt Lake, and Painted Desert-all in the Southwest.

-By HAZEL ELDRIDGE

News Quiz

Our Steel Industry

- 1. Why does a steel strike cause con-cern for the entire nation?
- 2. How many workers in the steel in-ustry went on strike July 1?
- 3. What were the main issues in the
- 4. Tell something of the steel walk-out's effect on workers in related indus-
- 5. In what way have the steelworkers temselves been affected?
- 6. Are prices of products using steel kely to rise? Why?
- 7. Where do we get the materials used in making steel?
- Describe steps being taken to find new sources of ores needed in making the finished steel.

Discussion

What do you feel should be the role of the government in labor-management dis-putes such as the steel controversy? Give reasons for your answer.

Panama Conference

- Leaders of the United States and Latin American nations were invited to Panama to celebrate what historic anni-security. versary?
- 2. What was a second and important reason for a get-together by the Western Hemisphere leaders?
- 3. Why was the conference, originally cheduled for June 25, delayed?
- 4. Tell something about the Panama Canal and how we operate it.
- 5. Name the 6 republics of Central America.
- 6. For what reason do we refer to these lands as a "bridge"?
- 7. What is the chief occupation of the people, and what are the 2 most impor-tant products?

Discussion

Do you think the Panama Conference was a worthwhile idea? Why, or why not?

Miscellaneous

- For what reason is the U. S. government bringing suit against General Motors?
- Briefly describe the dispute between Vice President Nixon and India's Prime Minister Nehru.
- 3. Is cotton acreage in the United States this year lower than usual, higher than usual, or about average?
- 4. What was the outcome in Congress of President Eisenhower's proposed program for federal aid to the nation's schools?
- 5. Describe the role played by the Ceylonese harbor of Trincomalee during World War II. How have British relations with this port recently changed?

References

"The Big Strike," Time, July 9; a discussion of the issues, with a personality sketch of David McDonald, president of the United Steelworkers of America union. Also a sketch of U. S. Steel Corporation's vice president, John Stephens, principal negotiator for management.

"Why Not Build a Tunnel for Ships from Atlantic to Pacific?" an illustrated article in *Popular Mechanics*, June, by Jorge Cortinez Delfing.

Pronunciations

Bergensfjord—bår'géns-fyord Dag Hammarskjold—då håm'mer-shult

Jawaharlal Nehru-juh-wä-hur-läl' në'-

Juan Peron-hwan pe-rawn'

Nikita Khrushchev--nyi-kë'tuh kroosh-

Nikolai Bulganio-ne'kō-li bōōl-ga'nin Palmiro Togliatti-pal-me'ro ta-le-ah'té Pedro Arias de Avilla—pā'drō ā'ryās dā

Ricardo Arias Espinosa-ri-kār'dō

ryās čs-pi-nô'zā Simon Bolivar—si'mūn bôl'i-vēr

WEEKLY DIGEST OF FACT AND OPINION

(The views expressed on this page are not nec-essarily endorsed by the AMERICAN OBSERVER.)

"\$25,000 a Year for U. S. Fliers?"

Assuming that the Air Force is the only deterrent which keeps the United States safe and peaceful in the same world with Soviet Russia, then no amount that we can pay the men who fly the ships and keep them in shape

empt from income tax for technicians and mechanics who re-enlist for a second 4-year hitch.

check out and go into competitive life of the best men to be had at any price.

Of course, the flying officers will have to get an increase too, because they are under the same pressure as their services to private industry. a month plus uniforms and a 50 per cent discount on all he buys in civilian stores. That would be about \$10,000 a year.

An American captain, if he flies or runs one of the vital jobs of maintenance, should be worth at least twice as much because we count on him to outsmart the Russian. A salary of \$25,000 a year for an officer may sound fantastic, but it isn't so much a question of "shall we spoil them?" as "shall we let the Russians ruin us?"

"Planned Deviation?" an editorial in the Los Angeles Times.

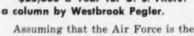
We have no deep insights into Russian policy and thought; our one conviction about the Soviet government is that its interests and intentions were, are, and will continue to be, opposed to those of the United States and other non-communist countries.

Moscow has been encouraging a little deviation among the Communist Parties around the world. It has let them know that, for the time being at least, they can express some opinions which differ from those of Soviet leaders in Russia.





EUGENE DENNIS, top American communist (left), and Italy's Red boss, Palmiro Togliatti, have recently been publicly critical of the present Soviet leaders



to fly is too much. I have suggested \$10,000 a year ex-

Five thousand will hold a few men who are devoted to aviation, and some few others who lack the daring to as employes of civilian industry. But \$5,000, with or without the tax exemption, will not retain an abundance

Lieutenant General Curtis LeMay, commanding the big bombers, has said he hasn't enough experts to carry the load of work. So it follows either that the crews face more danger than they should or that the number of ships in shape to fly is curtailed for lack of "service."

the mechanics and technicians to sell Russian Air Force captain gets \$765

bit more freedom may be good propaganda for the Russian communist government. Such a change may look good to many people in the free world. They may think that Communist Parties in lands outside of Russia no longer have to follow a ruthless Moscow line. If such a belief gains headway, it is

possible that a number of socialists and other radical groups in free nations may work more closely with Communist Parties. At least this is what the Soviet leaders are hoping will happen in the countries where such groups are in control.

This deviation, or change of policy,

from strict party discipline to a slight

There is plenty of evidence that communist leaders in Italy, France, Britain, and even the United States were encouraged to deviate slightly from Moscow's controlled thinking. In Italy, communist boss Palmiro Togliatti was allowed to criticize the Soviet leaders for having waited so long to expose Stalin's cruel and harmful policies. Eugene Dennis, general secretary of the Communist Party in the United States, was permitted to express the

same kind of criticism in the New York Daily Worker.

But in the satellite countries, conditions were not quite the same. In these Soviet colonies, deviation could be better controlled and one could see that Moscow did not intend to let it exceed its propaganda value. Moscow severely warned that the new "liberty" was not to be carried to extremes. The students in Czechoslovakia, agitating for independence, were swiftly suppressed. So were the Polish rioters.

The pattern seems clear. A little deviation, or slight straying from the Moscow path of thinking, may help Communist Parties in certain countries to gain new support. There is a chance, of course, that a little deviation will lead to more than the Russian communist officials desire, but they appear willing to take the risk.

Those who insist on believing that Moscow is now ready to give up the idea of world expansion and domination should keep in mind a recent remark of Mr. Khrushchev to his colleagues: "We must realize that we cannot coexist eternally. . . . We must push them [non-communist nations] to the grave."

"Portents and Prophets," an editorial in the Washington Post and Times Herald.

According to one school of thought. the recent conflicts and confusion within the Communist Party ranks are just part of an elaborate and carefully planned hoax. The party leaders, it is said, are merely pretending to be shocked, fearful, and disturbed over growing differences of opinion. The reason for this pretense is that they want to make the anti-communist and 'neutralist" nations feel safe and drop their guards while Soviet Russia pursues under a new set of tactics its old and unchanging aim of world domina-

Certain other would-be prophets ar-

rive at an exactly opposite interpretation. They think the party is really cracking because, in their opinion, a leader who is considered to be above criticism is required to keep it intact. By destroying the myth that Stalin was a great man, Khrushchev and his associates have also destroyed the Communist Party as an international revolutionary force, at least so far as the western world is concerned.

This latter view is supported by one of the few safe generalizations to be drawn from political history, which is this: that the weak point in every terroristic tyranny, ancient or modern, has been the problem of the tyrant's successor. A tyrant such as Stalin cannot solve the problem simply by naming a successor, for the ambitious heir might become impatient and try to dethrone the tyrant before his time is up. The tyrant's safety lies rather playing one possible claimant against another, and in eliminating any who might show signs of becoming more powerful than the others.

Thus a struggle for supremacy among Stalin's underlings after his death was made inevitable. It was also inevitable that, during this struggle, the Soviet leadership in Russia would be somewhat weakened and would not be able to keep ironclad control over Communist Parties abroad.

In conclusion, it seems to us that in the effort to decide between these conflicting interpretations, two points must be kept in mind. First, the primary concern of the surviving Communist Party leaders in the Soviet Union is not world domination but the simple preservation of their own necks. Similarly, the first concern of the communist leaders outside of Russia is the preservation of their reason for existence. If Moscow is no longer able or willing to provide such a reason for them, they must try to find another one even at the cost of a break with Moscow.



MEN WHO GUARD our skies should, according to Columnist Westbrook Pegler, receive much higher salaries